

EQUIPMENT LEASE AGREEMENT

1. Lessee acknowledges inspection and receipt of equipment in good condition when it is signed for on the Lessor's Shipping Receipt and accepts all conditions stated herein.
2. Lessee rents, on the terms and conditions stated in each Lessor's Proposal, the equipment described in such proposal which shall be signed by Lessee or attached to Lessee's own purchase order.
3. **"Hold Harmless"** Lessor uses great care to have all of its equipment in good order and repair, gives no warranty expressed or implied, as to condition, quality or any other matter of any equipment sent out, and will in no way be responsible for damages resulting while in user's possession. The Lessee agrees to indemnify and hold Lessor harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including reasonable attorney fees arising out of, connected with or resulting from the negligence or intentional or wanton misconduct of Lessee with respect to the lease of any equipment or the employment of any personnel provided by Lessor hereunder provided, however, that Lessee shall have no obligation to indemnify and hold harmless Lessor for his negligence or for the intentional or wanton misconduct of any personnel by Lessor hereunder. Lessor shall not be liable for any personal injuries or other damage sustained by the rental of Lessor's property while using the equipment covered by this Agreement. The Lessee further agrees to keep the Lessor free and harmless from any loss, damage, responsibility or obligation sustained by the Lessee or any other person, due to use of this equipment.
 - a) ***No one, except for Lessor's employees or Lessor's certified installers are authorized to install, alter, or remove any low, medium or high voltage switches and/or transformers, nor alter any cable without prior expressed written permission from Lessor. Any parts removed must be returned with the order.***
 - b) Lessee agrees to operate said equipment only in the manner for which it is intended and not to attempt to make any repairs of any nature, kind or description, and in the event said equipment becomes inoperative, Lessor is to be notified at once so the Lessor can make necessary repairs or replacement. Lessee agrees to continue weekly rental payments as per each proposal until equipment is repaired.
 - c) Lessee acknowledges that if electrical permits are required by local municipality for use of equipment on a temporary basis, Lessee shall be required to obtain such permit and have equipment installation inspected prior to energizing power. Lessor will obtain permits for an additional fee when requested by Lessee and Lessor will obtain such permit only when Lessor's employees install Lessor's leased equipment. Lessor shall not be responsible for other equipment at the location that does not pass inspection by a municipality.
4. Lessee agrees not to release or re-deliver said equipment to any other person, firm, or corporation without disclosure of equipment location in the proposal or without the written consent of Lessor. Title to the equipment shall at all times be in Lessor and each transaction with Lessor is a bailment only.
5. Lessee agrees to return said equipment to Lessor upon demand, and if not returned within twenty-four hours, Lessor may without prior consent or court order, enter upon Lessee's premises to repossess all or a part of its equipment whenever it deems necessary.
6. Lessee agrees that any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney fees arising out of or resulting from the use of the equipment will be paid by the Lessee regardless of the claimant or claimants who institute the action. Lessee further agrees that if action be instituted to enforce any provision of this Agreement, he will pay such sums as the court may fix as costs and attorney's fees.
7. Lessee shall secure and maintain (a) All Risk Physical Damage insurance including coverage for collision, and upset, and comprehensive losses to the equipment rented from Lessor hereunder, and (b) Comprehensive General Liability and Business Auto Liability insurance both in an amount of not less

than \$1,000,000 combined single limit for personal injury, bodily injury, and property damage. The Comprehensive General Liability form shall include the coverage parts for non-owned and hired automobiles. Lessee shall provide Certificates of Insurance, signed by an authorized representative of the Lessee's insurance company evidencing that Lessee is in compliance with the insurance provisions of this Agreement. Lessee shall have the insurance companies providing the coverages required hereunder add the interest of Lessor as additional insured and loss payee as his interest may appear in reference to any and all equipment provided by Lessor under the terms and conditionals of this Agreement. Any insurance certificates provided in accordance with this Agreement shall stipulate that Lessor shall receive 30 days written notice of cancellation from the insurance companies providing the required coverage prior to any cancellation or reduction in the limits of liability, each such certificate issued to Lessor shall stipulate that the coverages indicated on the insurance certificate shall be primary coverage and not contributing with any other insurance maintained by Lessor. It is agreed that Lessee's insurance coverage shall commence at the time Lessor's equipment leaves Lessor's premises and shall remain in full force and effect until the equipment is returned to the premises of Lessor located at 9045 Glenoaks Blvd, Sun Valley, CA 91352.

8. Unless previously agreed in writing prior to rental, rental rates are established for single day, single week, and longer periods as per signed proposals. The Daily Rate applies where equipment is taken on any given day and returned by 4 p.m. the following day. The Weekly Rate applies where equipment is taken for two to seven consecutive days and returned by noon on the day following the expiration of the final seven-day period. The Monthly Rate applies where equipment is taken for four consecutive weeks and returned by noon on the day following the expiration of the final four-week period.
9. Pick up and delivery charges will be added to each rental. Charges will be quoted based upon distance and labor assistance requested.
10. Lessee shall abide by South Coast Air Quality Management District or CARB permits, as specified on each equipment permit to operate.

I have read, understand and agree to the above.

Lessee's Authorized Signature	Printed Name & Title	Date
Lessee: _____ _____ _____	Lessor: Saunders Electric Incorporated _____ _____ _____	_____ _____ _____
(____) _____	Candace A. Saunders Executive Vice President	